

5/013/002 x
UMCC

UINTAH MOUNTAIN COPPER COMPANY
341 SOUTH MAIN STREET
SUITE 401
SALT LAKE CITY, UTAH 84111
(801) 530-1045

WWW.UINTAHRED.COM

July 13, 2000

State of Utah
Department of Natural Resources
Division of Oil, Gas & Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RECEIVED

JUL 19 2000

DIVISION OF
OIL, GAS AND MINING

Attn: D. Wayne Hedberg, Permit Supervisor, Minerals Reclamation Program

Re: Uintah Mountain Copper Company's Sunshine Quartz/Hematite Project
S/013/002

Dear Mr. Hedberg:

Per your recent telephone conversation with Pamela Kandar-Cha of our company, we are pleased to provide additional information in regards to our mining project. In correspondence to us on June 28, 2000, and to Joseph R. Bistrski of the Duchesne Ranger District on May 17, 2000, it appeared that clarification on the scope of our reclamation work was needed. It must be understood that Uintah Mountain Copper Company (UMCC) presently operates a small mine development project and intends on remaining a small miner for the foreseeable future. Our operations have resulted in well under 5 acres of surface disturbance and our continuing Plan of Operations currently under evaluation with the Forest Service will not substantially change this fact.

Most of the confusion appears to be associated with reclamation responsibility for the forest road that provides access to our claims in the Ashley National Forest near Moon Lake (Duchesne County). The 6.5 mile unsurface road was originally engineered by the Forest Service and constructed by UMCC in 1979-80 in replacement of our long-standing permitted access road along Slate Creek (see Map 1). From that time until the end of 1998, the use of the road by UMCC had been through paid annual permit. UMCC has never claimed ownership of this forest road. In fact, other individuals and groups have been permitted by the Forest Service to use this road, independent of our project.

In 1997, the Forest Service requested that, in lieu of annual permits, the continuing Plan of Operations be amended to include use of the road. The Forest Service told us that this road was part of their forest access system. It was requested by the Forest Service that UMCC install a gate about 2/3 to 3/4-mile below the main ore body at a location where sections above would not be used by the Forest Service after the mine project was complete (see Map 2). In 1998 Forest Service minerals and engineering staff provided UMCC documentation for determining bonding and future reclamation needs for only the upper 1.1 acres of access road (UMCC's road measurements indicate the area may be as high as 1.2 acres). The remainder of the road was to continue as part of the forest road system exclusive of UMCC's project.

Within the main claims development area, both UMCC and the Forest Service identified spur roads used for drilling as needing to be reclaimed as part of continuing operations (See Map 3). Spur road #1 incorporates about 0.07 acre and spur road #2 about 0.10 acre.

It should be noted that UMCC has not reported access and spur roads as part of the mine reclamation activities to the State of Utah because we were unaware that road reclamation outside of mine excavation work was to be included in the annual reporting documents with the state. We apologize for our oversight and will be sure to include all disturbances in our future filings with your department.

After meeting with the Forest Service in June 2000, we agreed to complete reclamation of spur road #1 this season. A general plan for this work is shown on Map 4. The road section will be reclaimed and revegetated per Forest Service requirements and a working platform for future phased pit development work will be prepared on a small portion of the road (north end). Spur road #2 will be reclaimed as part of the pit development work currently under consideration in the amended Plan of Operations.

In specific, we would like to provide more detailed responses to the itemized questions in your letter to Joe Bistrski of 5/17/00.

1. The camp site is referred to as a 5-acre area, though no plans exist to disturb this much area. The only reclamation required once UMCC's project is complete will be to remove one trailer (8'x 20') and a covered work table area (20' x 20'). Activities within the Plan of Operations include ore transfer at the camp site. The exact location of this activity has not yet been agreed upon between UMCC and the Forest Service, but will incorporate an area less than 100' x 100'. A map showing the camp area will be provided once the transfer spot is selected. It must be understood that UMCC does not intend on disturbing the ground surface by this activity (no grading will be done), but merely placing portable machinery on well vegetated grassy areas to effect ore transfer from small to large trucks. Total present and future camp area disturbances will be less than 0.25 acre.
2. Section B of the Plan of Operations mentions a borrow area. Our meeting with the Forest Service in June 2000 determined that any minimal borrow material needed for the test pit work would be taken from excess rock generated from reclamation of spur road #1. This material will be stockpiled on the north end of spur road #1 (see Map 4). No additional disturbed areas will be created to produce this minor borrow material.
3. The Plan of Operations described a truck turn-around within 600 feet of the pit area. The June meeting with the Forest Service determined that the turn-around should be relocated to substantially wider section of the road about 1800 feet from the pit area (see Map 2). No grading or earthwork (disturbance) is required at this location to allow trucks to turn around or to place portable ore conveyance equipment since the location is on a very broad and level ridge. Plans were modified to have 5-ton trucks transport ore from the pit area to this new location, thus eliminating the installation of an extended conveyor system. No additional disturbance will result from this modification.
4. A scaled drawing showing the proposed test pit development area is provided on Map 5. The total surface area disturbed by pit activities is 0.07 acre. About 0.02 acre of this location is included as part of spur road #2 (already disturbed). Total new disturbed surface area will be about 0.05 acre.

A summary of disturbed surface area to be reclaimed by UMCC is presented below:

	<u>Presently disturbed area</u>	<u>Disturbed area from POO activities</u>
Access/Spur Roads	1.37 acres	0.00 acre
Camp Site	0.01 acre	0.24 acre
Mine Pit Area	0.00 acre	0.05 acre
Totals	1.38 acres	0.29 acre

We hope that this more detailed description of the site and our activities provides a better picture of the project's reclamation requirements. We are proud of our past reclamation achievements and strive to do our work in an environmentally sound manner. Please contact us if you have any questions or if you or your staff determine a more effective way to perform the reclamation work.

Sincerely,



Peter Kandaris, President
Uintah Mountain Copper Company

cc: Pamela Kandaris-Cha
Joe Bistryski
Anthony Gallegos

MAP 1

MOON
LAKE
NORMAL POOL ELEV 8083



Brown

10

11

12

Test Pit

Creek

Duck Creek

Creek

UMCC Claims
Boundary

Spring

14

13
Lake Fork
Guard Station

Moon Lake
Campground

1999 POO
Development
Work Area

Gate

FS Access Rd

F O R E S T

22

23

24

Dry

Canyon

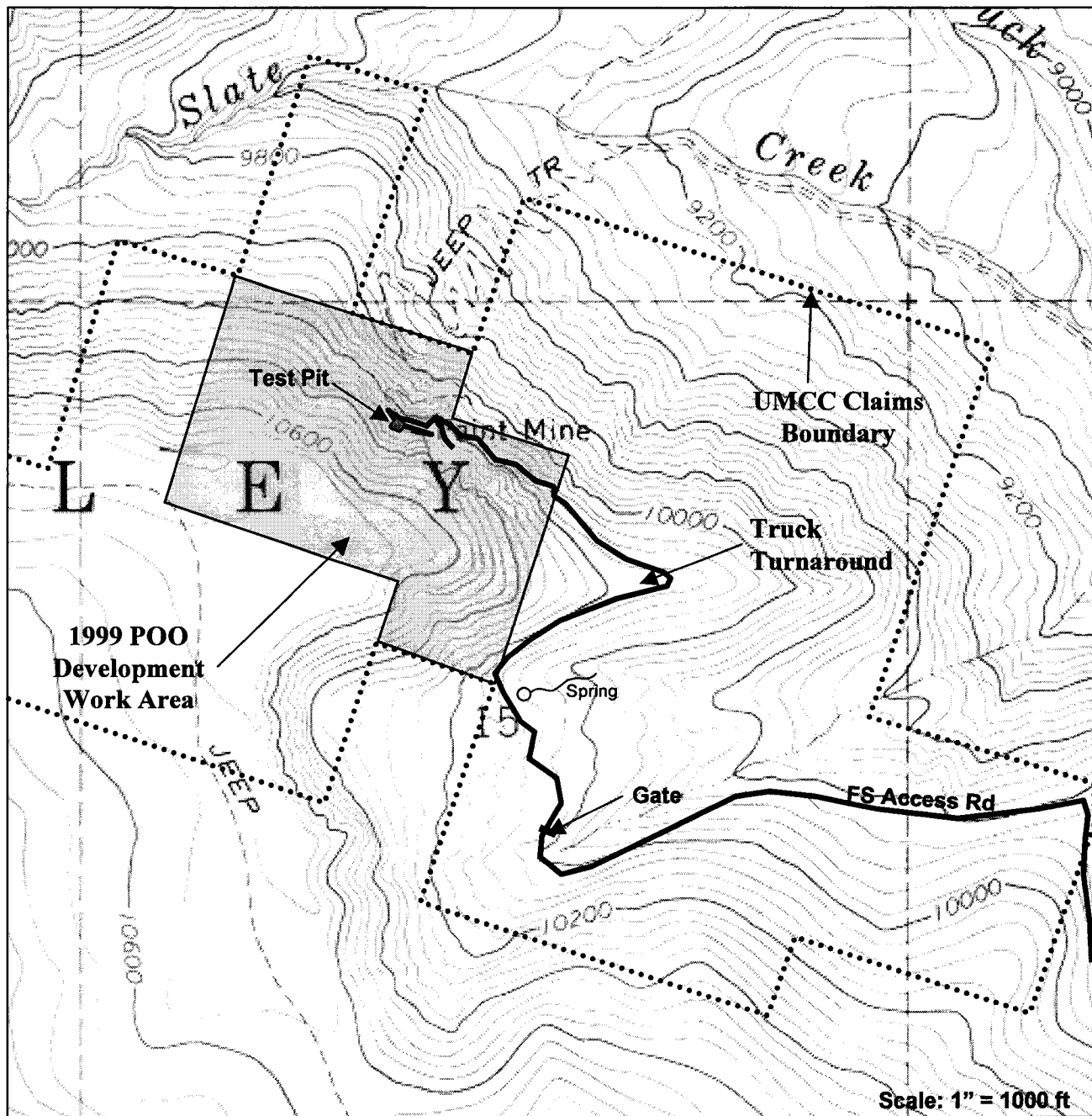
27

26

25



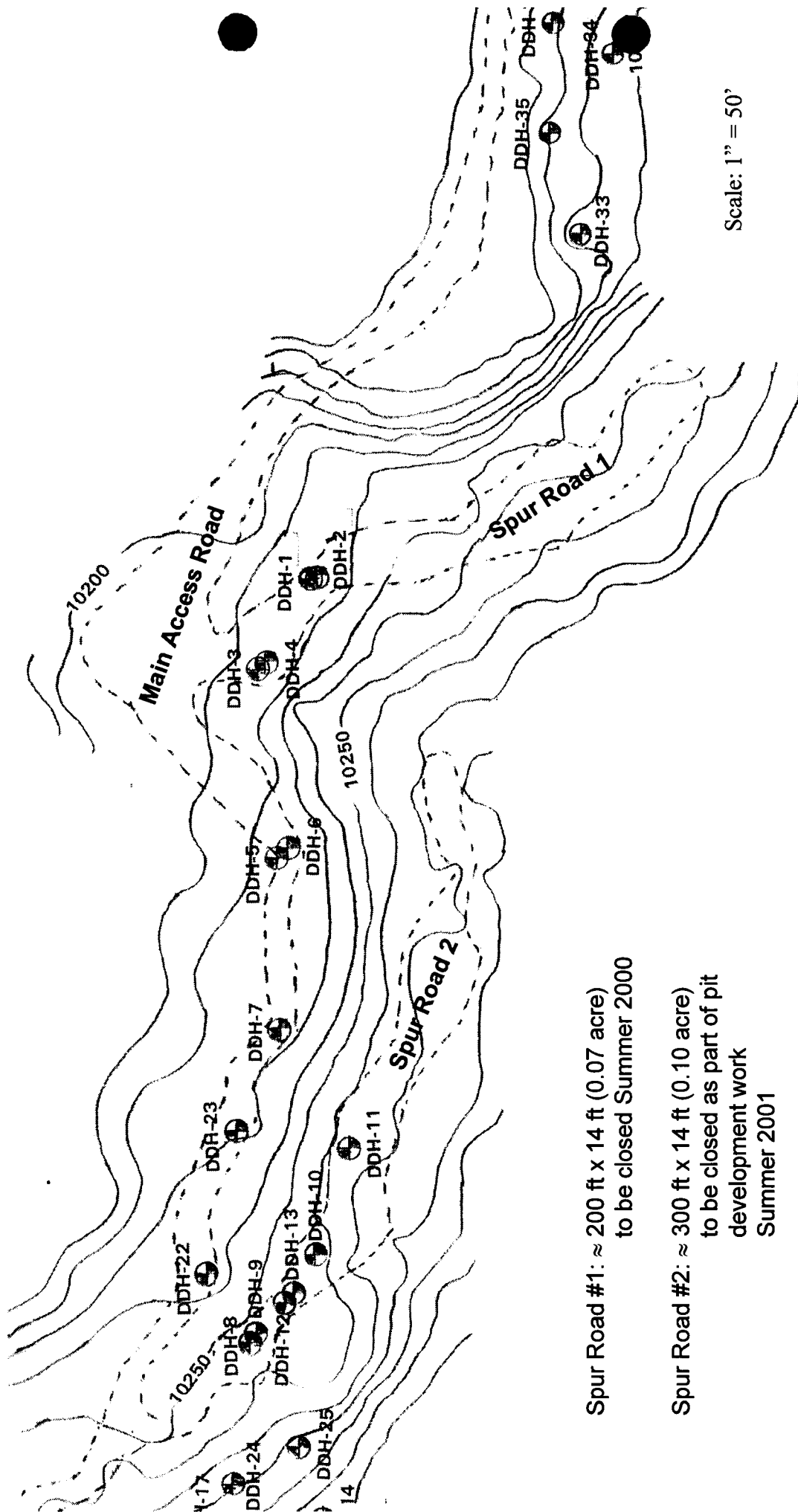
MAP 2



Access Road North (uphill) of Gate:

- ≈ 4000 ft x 12-14 ft (1.2 acres)
(UMCC calculations)
- ≈ 3600 ft x 12-14 ft (1.1 acres)
(USFS calculations)

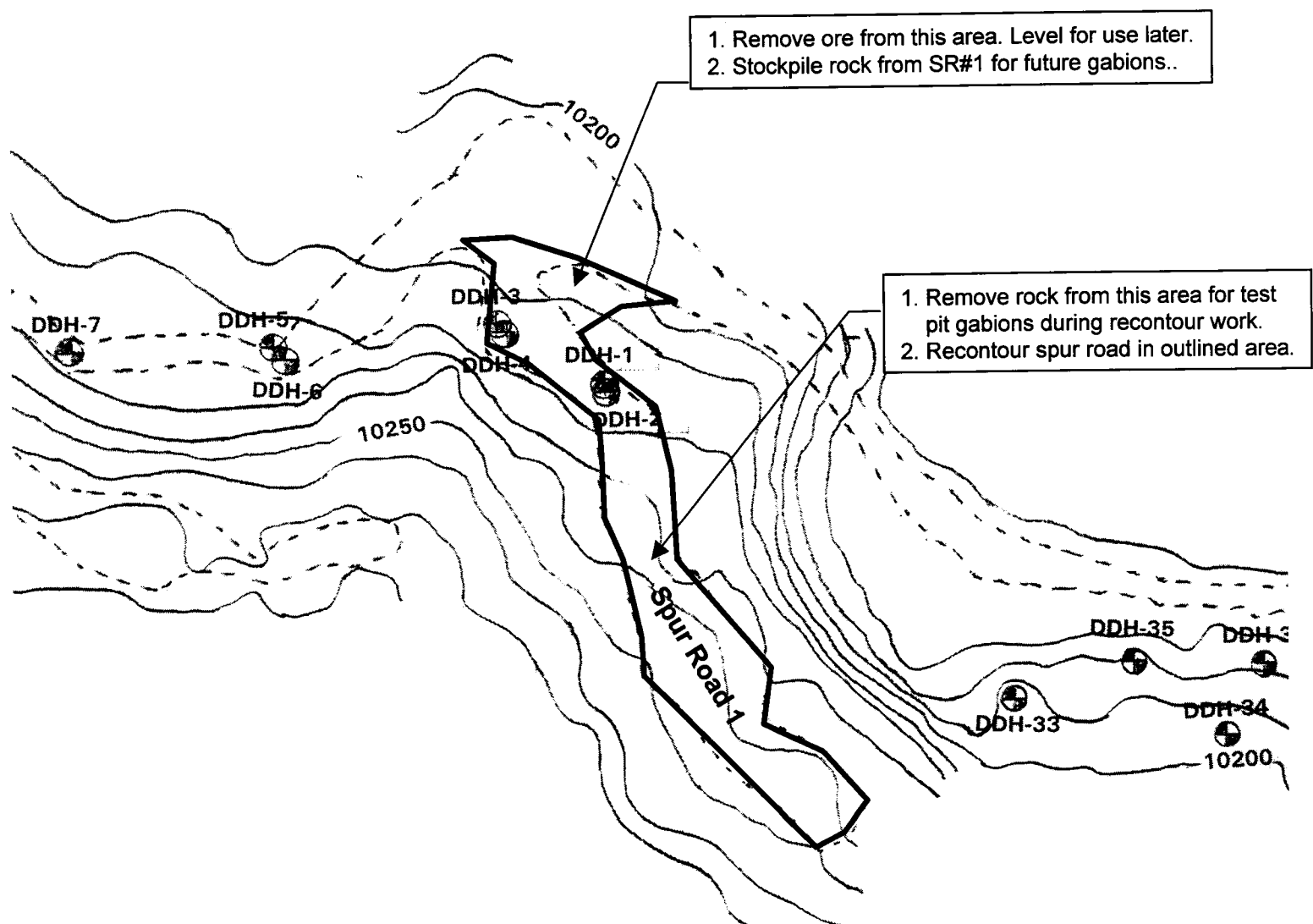
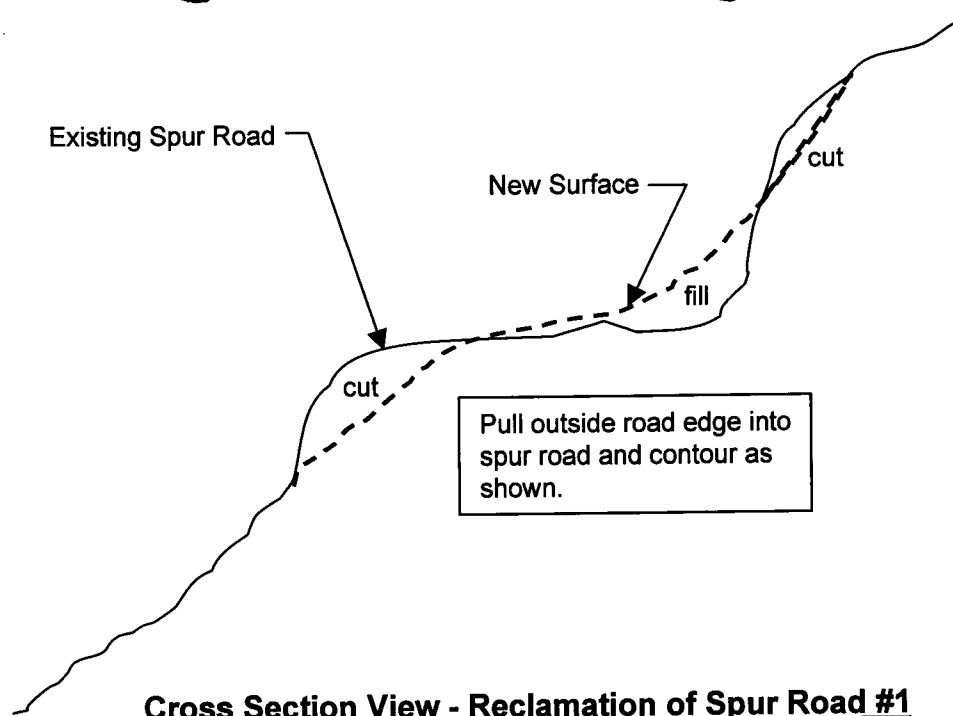
MAP 3

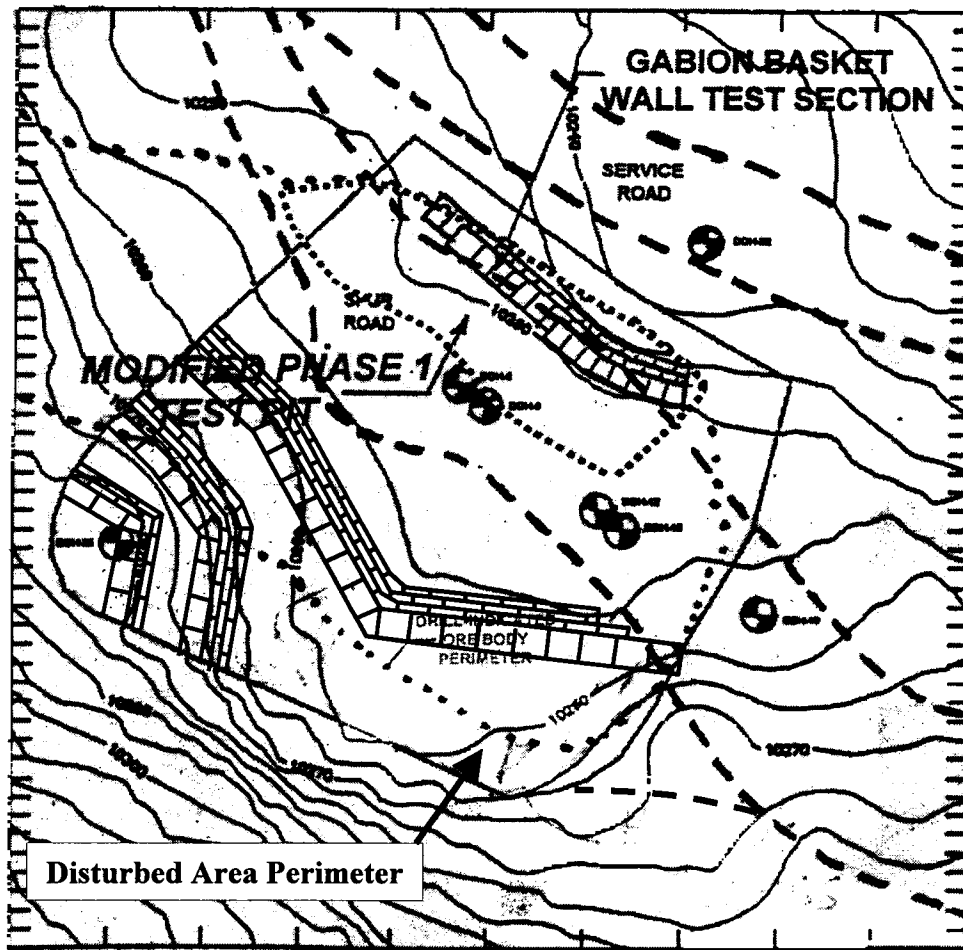


Scale: 1" = 50'

Spur Road #1: $\approx 200 \text{ ft} \times 14 \text{ ft}$ (0.07 acre)
to be closed Summer 2000

Spur Road #2: $\approx 300 \text{ ft} \times 14 \text{ ft}$ (0.10 acre)
to be closed as part of pit
development work
Summer 2001





Scale: 1" = 20 ft

Test Pit area \approx 3140 sf (0.07 acre)

Area includes 900 sf of previously disturbed access road.

Net new disturbance \approx 2240 sf (0.05 acre)